

**MINUTES**  
**LAKE LANIER ISLANDS DEVELOPMENT AUTHORITY**  
**BOARD OF DIRECTORS MEETING**  
**CONFERENCE ROOMS IV and V**  
**LEGACY LODGE AND CONFERENCE CENTER – LAKE LANIER ISLANDS, GEORGIA**

**June 17, 2011 – 8:30 a.m.**

**BOARD MEMBERS PRESENT:**

Mr. Lonice C. Barrett, Chairman  
Mr. Craig Dowdy  
Mr. Hank Burnham (via telephone)  
Mrs. Dorothy Burns (via telephone)  
Mr. John Gibb  
Mr. Alan Gravel  
Mr. Wayne Jessup  
Mr. John Kieffer  
Mr. Bob Whitley

**STAFF:**

Mr. Bill Donohue  
Mr. Lee Smith  
Ms. Joy Hortman  
Ms. Marilyn Brown

**ABSENT BOARD MEMBERS:** Mrs. Connie Hagler

**VISITORS:** Mr. Tom Calkins, LLIDA Legal Counsel, Hulsey, Oliver & Mahar, (Special Assistant to the Attorney General)  
Ms. Nancy Gallagher, Office of the Attorney General (via telephone)  
Mr. Michael Williams, Lake Lanier Islands Management Company, LLC  
Mr. Grier Todd, Lake Lanier Islands Management Company, LLC  
Mr. Joe Tanner, Tanner & Associates

**NOTE : All referenced materials were provided to Board members during the meeting.**

**I.&II. CALL TO ORDER AND APPROVAL OF AGENDA**

Chairman Lonice Barrett called the meeting to order at 8:30 a.m. Mr. Burnham moved to approve the Agenda as presented; Mr. Kieffer seconded the motion and it was unanimously approved.

Chairman Barrett noted that this would be Mrs. Dot Burns' last Board meeting and welcomed Mr. Wayne Jessup, who is a retired CPA from Gainesville succeeding Mrs. Burns in an "at-large" position.

He thanked Mrs. Burns for her service and innumerable contributions during her time with the Board. She said it had been a privilege and a pleasure to serve on the LLIDA Board. Mr. Jessup expressed his appreciation at being appointed to serve and said he looked forward to participating.

Chairman Barrett also noted that Attorney General Sam Owens has appointed Tom Calkins as a Special Assistant to the Attorney General to serve as LLIDA's Legal Counsel since the recent death of Samuel L. Oliver. He welcomed both Mr. Calkins and Ms. Nancy Gallagher of the Office of the Attorney General. Mr. Calkins commented that he had worked with Sam for 28 years. He said he had worked with the Authority previously so was not unfamiliar with its history and was glad to be a part of LLIDA but sad about the circumstances.

Ms. Gallagher invited Board members to contact her, said she would soon meet with Mr. Calkins, and was pleased to be associated with the Authority.

**III. APPROVAL OF MINUTES OF 1) APRIL 15, 2011 LLIDA BOARD MEETING and 2) APRIL 14, 2011 INFRASTRUCTURE COMMITTEE MEETING**

*Mr. Kieffer moved to approve Minutes of the 1) April 15, 2011 LLIDA Board of Directors Meeting and 2) April 14, 2011 Infrastructure Meeting as submitted; Mr. Gravel seconded the motion and it passed unanimously.*

Chairman Barrett commented that he was very pleased with the manner in which the Infrastructure Committee (IC) operates in reviewing matters before presentation to the Board. He indicated to Mr. Jessup that his (and all Board members') attendance and participation at IC meetings was always welcome.

**IV. ACTION ITEMS**

Vice Chairman Dowdy asked that Mr. Bill Donohue report on Action Item #2 regarding Change Order #2 to Allied Paving.

Note: Action Items are listed in the order discussed during the meeting.

**2. Change Order #2 to Allied Paving Contractors, Inc.**

Reference was made to 1) Mr. Donohue's memorandum dated June 10, 2011 regarding "Change Order #2 – Allied Paving – Parking Lot Project"; 2) the Change Order itself dated May 13, 2011; 3) Daily Report from NOVA ENGINEERING & ENVIRONMENTAL dated April 20, 2011; 4) map showing areas in Harbor Parking Lot requiring GAB (graded aggregate base) undercut and 5) map indicating location of 4" conduit in Beachview Parking Lot.

Among Mr. Donohue's comments regarding Change Order #2 were the following:

-- Nova Engineering & Environmental identified an unsuitable sub-base material in Harbor Parking Lot

~ unsuitable sub-base removed and replaced with graded aggregate base (GAB) in southeast corner of Parking Lot

-- buried conduit installed at Beachview Parking Lot to be used by Georgia Power for lighting

-- total cost for work: \$11,437.86; LLIDA's share: \$8,349.64 or 73%

-- contractor has done good job; some punch list items remain

*Mr. Dowdy moved to accept the recommendation of the Infrastructure Committee to approve Change Order #2 in the amount of \$11,437.86, of which LLIDA's share is \$8,349.64, to Allied Paving for the installation of conduit, sub-base and other modifications to Lake Lanier Islands Parking Lots. Mr. Gibb seconded the motion and it passed unanimously.*

**3. Project Management Agreement between LLIDA and Georgia Department of Natural Resources (DNR)**

Mr. Donohue referred to 1) his memorandum dated June 10, 2011 regarding a “Project Management Agreement between LLIDA and the Georgia Department of Natural Resources (DNR)” and 2) the Project Management Agreement itself.

Mr. Donohue said that General Obligation (GO Bonds) that were appropriated last year are now in the process of being sold. He explained that DNR actually receives the bonds and this Agreement shifts responsibility for managing, designing, implementing and financing the project to LLIDA. He noted that this arrangement had been used in the 1980s during construction of the Islands Hotel and Golf Course, and has been approved by Legal Counsel, the DNR attorney and the Attorney General’s Office.

*Mr. Dowdy moved to accept the recommendation of the Infrastructure Committee to approve the Project Management Agreement between LLIDA and the Georgia Department of Natural Resources (DNR) for the use of General Obligation Bond proceeds for additional infrastructure improvements supporting the amphitheater on Lake Lanier Islands; Mr. Gibb seconded the motion and it carried unanimously.*

Mr. Dowdy stated that this concluded the items considered by the Infrastructure Committee.

Chairman Barrett asked that -- and it was the Board’s consensus – the Infrastructure Committee (IC) and Tom Calkins determine an appropriate way of memorializing Sam Oliver’s involvement over the years with the Authority and present a proposal to the Board for its consideration. He asked that anyone having suggestions for such a memorial submit them to Craig Dowdy, Chair of the IC.

**1. Request that Department of Natural Resources (DNR) Include Balance of Funds for DNR Project 115 in List of DNR Projects submitted to Georgia State Financing and Investment Commission (GSFIC) for General Obligation Bond Sales**

Mr. Donohue referred to his memorandum dated June 10, 2011 regarding “DNR Project 115 – Request to DNR for Balance of Funds”.

Among points made during discussion were:

-- DNR Project 115 provides for infrastructure improvements to support the amphitheater and other improvements on the Islands

-- the Board’s approval was previously granted to a request to DNR for \$250,000 (of a total of \$2 million) of bonds to be sold by GSFIC to fund the design phase of the project

-- LLIDA now requests that DNR include balance of project funds (\$1.75 million) be included on DNR list of projects to be approved by DNR Board and submitted to Georgia State Financing and Investment Commission (GSFIC) for bond sale

-- the Governor’s Office of Planning and Budget (OPB) recommends that the balance of funding for DNR 115 be included on the bond project list

-- the \$1.75 million is for projects outside the footprint of the amphitheater; that is, none of these monies will be spent on any aspect of the amphitheater

Mr. Gravel moved to request the Georgia Department of Natural Resources (DNR) to include the balance of funds for DNR Project 115 (\$1.75 million) in the list of DNR Projects sent to the Georgia State Financing and Investment Commission (GSFIC) for the June 21, 2011 General Obligation Bond Sales; Mr. Whitley seconded the motion and it passed unanimously.

**4. Consider an Extension of Staffing Agreement between LLIDA and North Georgia Mountains Authority (NGMA) for FY 2012**

Mr. Donohue referred to his memorandum dated June 10, 2011 regarding the “LLIDA-NGMA Staffing Contract”. He explained that the current contract for his services as Executive Director of the North Georgia Mountains Authority (NGMA) expires on June 30, 2011, and recommended renewal at the same terms. He said that renewal is expected to be approved by the Georgia Department of Natural Resources (DNR) Board at its June 28, 2011 meeting.

Mr. Gibb moved to approve the extension of the staffing agreement between LLIDA and the North Georgia Mountains Authority (NGMA) at the same terms as the current agreement; Mr. Dowdy seconded the motion and it passed unanimously.

**5. FY 2012 LLIDA Operating Budget**

Reference was made to the FY 2012 LLIDA Operating Budget, and Mr. Donohue noted that compared to the FY 2011 Budget, a new item was included: the Islands Marketing Program. In answer to a question, he said the Marketing Program was in effect for the remainder of this fiscal year and next fiscal year. He explained it was a three-year Marketing Program containing a fixed amount (\$3 million) and that \$1.35 million had been spent year-to-date.

Mr. Dowdy moved to approve the FY 2010 LLIDA Operating Budget as presented; Mr. Burnham seconded the motion and it carried unanimously.

**6. LLIDA/Hall County Contract for Corrections Crew Work on Islands Trail System**

Mr. Donohue referred to 1) his memorandum dated June 10, 2011 regarding “Contract with Hall County – Corrections Crew – Trail Project” and 2) the Agreement between LLIDA and the Hall County Commission.

Among comments made during discussion were the following:

-- LLIMC has worked with LLIDA to design two walking trails:  
~ one will loop around main Island  
~ the second will be located mostly on Campground Island

-- Mr. Ronnie Phillips, Young Harris Region Manager for the Department of Natural Resources and the North Georgia Mountains Authority, who has considerable experience and expertise in trail construction, is to manage the project

-- inmate crews are a cost-effective way to construct two walking trails  
~ work will take place generally in low visibility locations away from guest areas  
~ corrections crews have been used successfully in the past by the  
Department of Natural Resources and the North Georgia Mountains Authority

-- LLIMC has approved the arrangement

-- In answer to a question about the cost and longevity of the project, it was stated that it was expected to take approximately two months to complete both trails and cost was estimated to be \$250 per day

-- In answer to a question, LLIDA Legal Counsel Tom Calkins confirmed there were no procedural issues regarding the bidding process and said he had reviewed and approved the contract

Chairman Barrett suggested that Mr. Ronnie Phillips be invited to attend a future LLIDA Board meeting.

Mr. Dowdy moved to approve the Agreement between LLIDA and Hall County for the services of inmate work crews to complete work on Lake Lanier Islands walking trails; Mr. Whitley seconded the motion and it passed unanimously.

#### **7. Increase in Per Car Entry Fee to Islands**

Reference was made to 1) Mr. Donohue's memorandum dated June 10, 2011 regarding "Request from LLIMC – Increase the Islands Entry Fee"; 2) Letter dated June 7, 2011 from LLIMC; and 3) Letter dated April 1, 2008 from LLIMC.

Mr. Donohue said that LLIMC requested an increase in the Islands Entry Fee from \$8 to \$10 effective July 1, 2011. He stated that the last increase had taken place in 2003 or 2004 when it was raised from \$7 to \$8. He said that the Stone Mountain Park fee is currently \$10, and that approval is recommended. He said notification would be made to the U. S. Army Corps of Engineers and others.

Mr. Kieffer moved to approve a request from Lake Lanier Islands Management Company to increase the per car entry fee from \$8 to \$10 effective July 1, 2011; Mr. Whitley seconded the motion and it passed unanimously.

In answer to a question, Mr. Todd estimated that the increased entry fee would generate between \$50,000 and \$60,000 annually.

#### **V. FINANCIAL REPORTS**

Mr. Donohue referred to the March 2011 and April 2011 Financial Reports. He said there was nothing inconsistent with the budget, numbers were slightly improved for the year and recommended approval.

Mr. Whitley moved to approve the March 2011 and April 2011 LLIDA Financial Reports as submitted; Mr. Burnham seconded the motion and it passed unanimously.

## **VI. DISCUSSION ITEMS**

### **1. Report by Executive Director (Mr. Bill Donohue)**

Mr. Donohue referred to his Executive Director's Report dated June 10, 2011. Also included were 1) letter dated May 27, 2011 from CCR ENVIRONMENTAL, INC. to LLIDA; 2) excerpt from a report called "Protected Species Survey and Wetlands Identification of Proposed Hiking Trails at Lake Lanier Islands Resort, Hall County, Georgia" and 3) letter dated May 25, 2011 from the Georgia Wildlife Division of the Georgia Department of Natural Resources to CCR Environmental, Inc.

His comments included the following information:

- Parking Lots: Project punch list mostly complete; now working on final quantities change order and close-out paperwork
  - ~ Lighting replacement in parking lots remains under discussion; proposal to be brought to Board in future
- Forest Clean Up: Landscape architect to assist in forest clean up
- Trails: Referred to correspondence/plants and wetlands field survey included with report; once materials received, work will begin
  - ~ Fitness trail sites to be selected; landscape architect will assist with this project
- Dock: New courtesy dock on southeast shoreline is complete; cost was approximately \$26,000 and budget was \$50,000
- Fiber Optic: Continuing to work with A T & T
- Amphitheater Project: Construction contract expected to be executed in December 2011
  - ~ RFQ for design services will go out on June 28; will reduce list to three candidates; after evaluation, will bring to IC Committee and then to Board
  - ~ Work on the project expected to start in January 2012 and be completed before the 2012 season

Chairman Barrett commented on behalf of the Board that Mr. Donohue's report's degree of specificity is appreciated.

### **2. Report by Legal Counsel (Mr. Tom Calkins)**

Mr. Calkins said he had no legal matters to report but wished to thank both Lonice Barrett and Bill Donohue for helping him get up to speed on LLIDA activities and projects. He also said that after touring the Islands, he is very impressed with its appearance and improvements being made and that both LLIDA and LLIMC are to be commended.

Ms. Gallagher said she had no legal report, but looked forward to touring the Islands.

**3. Report by COO, Lake Lanier Islands Management Company, LLC  
(Mr. Grier Todd)**

Mr. Todd thanked Mrs. Dot Burns for her service on the Board and assured her, on behalf of LLIMC and the Williams Family, that she would always have a room at the inn. Mrs. Burns expressed her appreciation and indicated she would be visiting the Islands again soon.

Among points made during Mr. Todd's report were the following:

- Had a good season "kick-off" with a solid Memorial Day; have had excellent weather thus far; noted that sunny 97-degree days are good for the Islands beach

- New sidewalks have been one of the most popular amenities on the Islands; the new Trail System will also be very popular

Mr. Todd provided a slide presentation which included photos and charts showing LLIMC's history of capital investments, "before and after" photos of various venues and photos of new amenities. Among his comments regarding the slides were the following:

- Capital improvements totaled \$2,394,000 this year; according to lease, \$1.95 million required and that amount was doubled

- ~ Since Williams Family began operating Islands, \$36,911,000 has been invested
  - ~ \$7,082,000 was required by lease, so amount invested was \$29 million over the required amount

- "Dog and Draft" facility updated and upgraded

- "Gianni's" Italian Bistro & Pizzeria is a new restaurant converted from the old Boardwalk Café in the Water Park; will seat 180 (indoors and outdoors)

- "Breezy's" is new retail shop converted from old storage building

- Islands landscaping – improved and enhanced

- Lanier World Restrooms – remodeled

- Lakeside Links (miniature golf) – remodeled and lighted for night play

- Trolleys – purchased three 28-passenger vehicles for tours and on-Islands transportation

- Pontoon Boats – entire fleet is new

- Group Business for fall – currently weak

- Wedding Business – fantastic; as of June 13, have 102 reservations, each wedding guest list averages 200
- LLIMC Magazine reaches 180,000 households
- In answer to a question about Lanier World offerings, Mr. Todd suggested accessing the Islands website for a complete list of amenities
- In answer to a question about boat traffic control in Sunset Cove, Mr. Todd and Mr. Williams stated it is being managed well and there is increased security
- In answer to a question about the U. S. Army Corps of Engineers, Mr. Donohue stated that during a meeting in February at which LLIDA, LLIMC and the Corps were present, the Corps submitted a list of items and/or questions. He said another meeting was held in May and one is scheduled for July. He said a traffic plan has been developed and work continues on other issues. Chairman Barrett stressed the need to keep all parties apprised of Islands plans.

**VII. PUBLIC COMMENTS**

Additional comments included the following:

- Islands entry and discounts are provided by the Board Member Card
- Lake Level – Mr. Tanner discussed the significance of the lake level in some detail
- Future LLIDA Board Meeting Dates were announced: August 19, 2011; October 21, 2011 and December 16, 2011 (all Fridays; all morning meetings)

**VII. ADJOURNMENT**

There being no further business, the meeting was properly adjourned at 9:55 A.M.

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Lonice Barrett  
Chairman  
Lake Lanier Islands Development Authority

These Minutes were recorded  
and transcribed by

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Marilyn Brown  
Assistant Secretary  
Lake Lanier Islands Development Authority